

IURC Standard Rate Accounting Schedules Presentation

Overview

Rate Accounting Schedules are an important piece of every rate case filed before the Commission. Because the schedules relay critical information, it is important that the documents appropriately and clearly convey financial aspects of a case in an easy to follow, consistent format.

Goals of Standard Schedules

Standard schedules will provide the following benefits:

- 1.) Consistency: Information is consistently organized and presented to facilitate analysis of pro forma adjustments, and the overall revenue requirement.
- 2.) Completeness: Standard schedules enable critical information related to the revenue requirement to be presented within three inter-related schedules that provide a check and balance of each other.
- 3.) Clarity: Information is presented in a manner conducive to the review of a utility's revenue requirement, with its attendant revenues and expenses, as opposed to other governmental presentations and uses.
- 4.) Comprehension: Standard schedules facilitate ease of understanding of key elements and calculations inherent in a rate case.

Selection of Standard Presentation

The Commission proposes to standardize three components of rate accounting schedules and to use the presentation employed by the Office of Utility Consumer Counselor ("OUCC")'s Water/Wastewater Division. The OUCC files testimony and rate accounting schedules in every rate case before the Commission. This format has been used for many years and should be familiar to utilities, consultants and the Commission. This is also the same format of the Commission's Small Utility Rate Application schedules.

The Commission proposes to standardize the Revenue Requirements and Gross Revenue Conversion Factor from the OUCC's Sch. 1 and Sch. 4 Pro forma Net Operating Income Statement. These schedules provide an overview of the key components of a rate case. These key components include the proposed revenue requirement, rate increase, average monthly residential bill, etc. Additional supportive schedules to the standardized schedules are included to provide further context.

The Commission understands that significant resources have been expended by utilities and their consultants in the development of specialized rate accounting schedules that accurately calculate revenue requirements in a manner that their employees understand, and systems have been provided. Therefore, utilities and consultants may continue to use and submit their preferred presentation for all submitted schedules and workpapers. The Commission only requests these three standard schedules and corresponding supportive documentation be submitted as an overlay, if different.

Your Input is Requested

Because rate accounting schedules are an integral part of every rate case, your input is greatly needed and requested on this proposed project. Please provide any comments, suggestions or questions you may have.